GOVERNMENT OF INDIA
PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS
LOK SABHA

UNSTARRED QUESTION NO:2747
ANSWERED ON:20.03.2002
BALANCE AMOUNT OF SALES TAX
RAGHUNATH JHA

Will the Minister of PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS be pleased to state:

(a) whether it is a fact that Delhi Sales Tax Department has raised a demand of Rs. 1,37,00,000/- and Rs. 9,06,23,549/- on the Kendriya Bhandar for the years 1995-96 and 1998-99 respectively.

(b) if so, on what grounds the demands have been raised;

(c) whether the Kendriya Bhandar is still evading payment of the local sales tax charged by them but not being shown on their invoices and the Delhi Sales Tax Department has lodged a complaint with the Kendriya Bhandar in this regard; and

(d) if so, the details thereof alongwith the reasons, therefor?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES, MINISTER OF STATE IN THE MINIS PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS, MINISTER OF STATE IN THE MINISTRY OF PLANNING AND M OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE. (SMT.VASUNDHARA RAJE)

(a): The Delhi Sales Tax Department has raised the following demands for the years 1995-96 and 1998-99:

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1995-96   Rs. 1,38,67,205/-
1998-99   There ware 2 orders, one for refund of Rs. 1,12,208/-
   and in other, there was a demand of Rs. 1,43,31,686/-
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(b),(c)&(d): Sales Tax Department decided to levy tax on sale on agency basis which was not accounted for in the books of Kendriya Bhandar for the respective years. Kendriya Bhandar is of the opinion that Sales Tax is not leviable on agency sales and has accordingly preferred appeals before the appropriate authorities and has also deposited a sum of Rs. 1.82 cr. (Approx.). These cases are still sub-judice. There has been no complaint recently received by Kendriya Bhandar from Sales Tax Department. However, Kendriya Bhandar has received a request for production of certain documents which is being complied with.